

STATEMENT OF
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BEFORE THE UNITED STATES SENATE
COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION ("the
Committee")

APRIL 14, 1999

Mr. Chairman and members of the Committee, thank you for the opportunity to testify before you today. My name is Jeffrey Benz. I am a former member of the United States Figure Skating Team and I represented the United States in international competition in that sport from 1985 through 1989. From 1989 through 1998, I served as a volunteer athlete member of the U.S. Figure Skating Association's Board of Directors, and from 1993 through 1996 I served as chair of its Athletes' Advisory Committee and a member of its Executive Committee. Since 1997, I have served as a volunteer member of the United States Olympic Committee's ("USOC") Athletes' Advisory Council and Board of Directors. I am currently an attorney in San Francisco with the international law firm Coudert Brothers.¹

The USOC's Special Bid Oversight Commission ("the Commission"), chaired by Senator Mitchell, of which I was the athlete member, spent two full months reviewing the circumstances surrounding the allegations of impropriety arising from the Salt Lake City 2002 Olympic bid. The Commission was to review the allegations and make recommendations for the future with respect to the Olympic Games bid process. We did just that. Our detailed report, issued on March 1, 1999, amply addresses this subject, and I will not restate the contents of that report here.

On March 3, 1999, the USOC immediately accepted responsibility for the problems we identified and enthusiastically adopted every one of the changes we recommended. The International Olympic Committee ("the IOC") has not endorsed or meaningfully adopted our recommended reforms. In fact, in the days following our report's issuance, certain prominent IOC members openly criticized it. In addition, the IOC's *ad hoc* commission investigating the allegations issued a second report on March 12, 1999 which took the remarkable position of suggesting that the IOC members involved were the victims of aggressive bid city officials. At its March 17-18, 1999 meeting, the IOC decided to expel certain members and not expel others that allegedly engaged in similar conduct, to retain jurisdiction over two pending cases, to appoint an ethics commission, and to appoint a reform commission to explore broad issues and report back this year. The IOC reform

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commission is headed by IOC President Samaranch, who has served as IOC President for the past 8 years during which the systemic problems we observed worsened. At the time of this writing, the IOC reform commission is nearly one month old, but the IOC President has only appointed 6 of its projected 20 to 24 members. Although some of the appointed IOC reform commission members are prominent individuals known for their independence, not one of the named members is a recent Olympic athlete. It remains to be seen whether the IOC reform commission will be accorded sufficient independence by the IOC and whether the full IOC will seriously consider its recommendations.

One of the important findings we made was that the IOC's governance structure suffers from a lack of accountability of its principal decision-makers, the individual IOC members, to the various constituent groups that comprise the Olympic Movement. The IOC selects its own members and determines the conditions of their removal. Among the constituent groups that should play a meaningful role in the IOC's governance but do not are the national Olympic committees and the athletes. The national Olympic committees are responsible for developing athletes and sports in their respective countries, and the athletes are keenly aware of the steps necessary to do so, yet there is no provision for these groups to participate in the IOC's important deliberative bodies.

The national Olympic committees, one per country, field their country's Olympic team and otherwise develop Olympic sports in their country. The national Olympic committees do not have a meaningful say over the selection of the IOC members from their country, yet they are required by the IOC's Olympic Charter to place in their key policy making bodies the IOC members who are citizens of their country. While these IOC members often add important, experienced, and valuable insight, the Olympic Charter requires them to be representatives of the IOC to the national Olympic committee, not representatives of their respective national Olympic committees to the IOC. This must change to ensure that the IOC reflects accountable, elected representation from the national Olympic committees, rather than vice versa.

In this country, this Committee, with the leadership of Senator Stevens, put forward and the full Congress adopted the Amateur Sports Act of 1978, which was amended in 1998. That statute requires the U.S. Olympic Committee, and the national governing bodies for each sport that it recognizes, to set aside 20% of the membership or voting power of their governing boards and committees for actively engaged or recently active athletes who are elected by athletes. These athlete representatives bring with them to the boardroom table the knowledge gained from having recently competed at an elite level in their sport. This knowledge goes to the very heart of governance of sport--what occurs on the field of play. In addition, these athlete representatives are directly accountable to the athletes that elected them. As I am certain no one affiliated with the USOC or the national governing bodies will deny, these athlete representatives have fundamentally and positively affected the governance of Olympic sports in this country.

Athlete representation in the IOC, however, is inadequate. The IOC tolerates limited athlete participation through its Athletes' Commission. The IOC President appoints the Chair and Vice Chair of the Athletes' Commission, along with up to just under one half of its membership (9 of 19

total members). The remaining 10 members of the Athletes' Commission are elected during the Olympic Games, a time when educated and engaged voting is difficult. Furthermore, the Athletes' Commission carries little formal weight in the IOC. There are no positions guaranteed among the IOC's general membership (called the General Session) or on the IOC's Executive Board for athlete representatives elected by athletes. To ensure that the IOC's focus returns to fostering excellent athletic performances, athlete representatives directly elected by athletes from their own national Olympic committees must be given meaningful guaranteed positions in the IOC's General Session and on the IOC Executive Board. I am convinced that if meaningful elected athlete representation existed throughout the IOC, the problems we have been discussing would not have occurred. Increasing independent athlete representation in the IOC will only increase the organization's and the movement's credibility worldwide.

The IOC has been advocating increased participation in its governance by the international sports federations, or international federations, which govern each sport worldwide. The international federations select cities to host the world championships and international events in their sports, and they regulate the conduct of Olympic, international, and some aspects of domestic competition. The international federations are, for the most part, insular organizations in which principles of democracy and openness are not prevalent; they conduct themselves along similar lines as the IOC. Much like the IOC, some international federations derive substantial revenues from companies based in the United States, but the international federations return only a small fraction of it to the domestic national governing bodies. In fact, some international federations, like that for figure skating, have increasingly expanded their jurisdiction over television and other rights in events conducted domestically so that they are excluding or otherwise interfering with the ability of the national governing body to raise funds to develop its sport domestically. When you consider that the national governing bodies are required by law to develop their sport in the United States and provide programs that produce champion American athletes, and that international federations provide relatively little, if any, financial support to our national governing bodies, this intrusion by international federations into the private funding endeavors of national governing bodies detracts from the ability of national governing bodies to produce American champions.

Many international federations, including the one with which I am familiar governing figure skating, the International Skating Union, fail to provide for athlete representation in their governance, and the IOC has not required it. The principles of financial transparency and accountability recommended by the Commission for the IOC apply with equal force to the international federations. Similarly, the possibility of extending the provisions of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions to the international federations should be explored. The IOC has the power to control the conduct of the international federations through its allotment of funds to the international federations and through its control of the sports on the program of the Olympic Games, and it must exercise this control. Without requiring the international federations to adhere to these high standards, the possibility of true reform will elude the Olympic Movement.

To the extent this Committee considers legislation to redistribute television or sponsorship

proceeds through a statutory assignment of rights or an excise tax from the IOC to the US OC, this Committee should ensure that national governing bodies participate in control of a substantial portion of the outgoing monies resulting from world championship and international competitions in their sports. However, this Committee should carefully study any action that might potentially discourage sponsors from investing in the Olympic Games as that might ultimately reduce funding available to train American athletes.

As I alluded to earlier, the Commission recommended that the USOC take all necessary steps to have the United States President designate the IOC as a public international organization under the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. The USOC made this request by letter to President Clinton on March 3, 1999, but I understand that the President has not yet so designated the IOC.

These are trying times for the Olympic movement. Fortunately, from all accounts, the American public does not associate the improper conduct of certain IOC members with America's athletes and their efforts. Our athletes are focused on improving their performances as they busily prepare for the Sydney Games in 2000 and the Salt Lake City Games in 2002; they are keeping their eyes on the proverbial ball so they can perform at their best irrespective of any problems with the administration of sports. The USOC has committed itself to making the reforms the Commission requested, and the IOC has acknowledged the need for doing so. The public, the athletes, and the sponsors will carefully watch the activities of the IOC's reform commission over the next few months to determine the level of the IOC's commitment to becoming a responsible guardian of the Olympic trust. Mr. Chairman and members of the Committee, I thank you for your willingness to address these issues to ensure that the Olympic dreams and successes of America's youth, and the inspiration they provide to all of us, flourish into the next century.